

A Letter from the Assessor

The Form 11 Notices of Assessment have been mailed out again this year. These notices are mailed out every year prior to May 1. This mailing is part of a required annual process that the state requires of the assessor. If you have received the Form 11, your assessment value has changed. **Please note that there was an error in the printing of some of the recent Form 11 notices that indicated that the sale date range was January 1, 2020 to December 31, 2020. The Assessor's office uses sales from the 12-month period prior to the assessment date. For the January 1, 2023 assessment, sales from January 1, 2022 to January December 31, 2022 are used for comparison.**

There are three primary reasons for an assessment change.

One reason for a new assessment notice would be new construction. The Assessor's office receives copies of building permits for new structures or major structural changes. If you have built a new house, added onto your house, added basement finish, or built any other structures on the property such as a pool or detached garage, the new assessment may reflect those changes.

Another primary reason for an assessment change, and one that affects ALL property, is annual adjustment or market trending. The state requires assessors to gather sales data and compare that sales data to current assessment values. **As previously indicated, the Assessor's office uses sales from the 12-month period prior to the assessment date. For the January 1, 2023 assessment, sales from January 1, 2022 to January December 31, 2022 are used for comparison.** The Assessor is required to trend the assessed values relative to the market data, so if you are seeing a substantial increase in your assessment, it is most likely due to this market trend analysis. This trend analysis is conducted on a neighborhood by a neighborhood basis and is based on a statistical analysis of assessment to sale price ratios. During 2021 and 2022, market values for residential properties have risen dramatically countywide. If assessments are not adjusted, assessments will fall below market data. To meet state assessment level requirements, assessments need to be at or near 100% of market value levels. Please note that this process will happen regardless of whether any changes or updates have been made to a property. This office has attempted to be conservative in its approach to market trending, however the sales in the neighborhood will ultimately drive the assessed value. Similar to last year, the value increases were strong with the county averaging an increase of about 15% overall on residential property.

A third reason for a change would be reassessment. If the neighborhood has gone through reassessment, the Assessor has tried to evaluate all parcels within the neighborhood in an effort to make sure the information on the assessment record is correct and to try to be more uniform in assessed values. One of the other things that happen during reassessment is a reevaluation of land values. Land values typically will account for between 20% and 25% of total value unless the property sits on a large parcel of land. During reassessment, there may be some rebalancing of the total value by increasing land values and possibly decreasing structure values. Keep in mind that market trending is also occurring during the reassessment process as the goal is still for the value to reflect market values.

The Assessor's office understands the potential burden of large increases in assessed value. We understand and realize that not all properties are the same. There is an appeal process if you believe

your assessment record or the assessed value is inaccurate. This office is more than happy to speak with you regarding your assessment and the assessment process. If there is evidence that your assessment is in fact too high, or if there were other considerations that may affect your property value, we will listen to your concerns, and we will work with you to find a solution. Please note that the time for filing an appeal of the assessed value is now. June 15 is the end of the 45 day period for appealing the assessment.

Assessments serve as the tax base for all taxing units: county, schools, cities or towns, libraries, townships, etc. Your 2023 assessment is the basis for your taxes due in 2024. Many people want to appeal based on the tax bill because of the increases in taxes that they are seeing. Please be aware that this is not a valid reason for an assessment appeal.

The goal of the assessor is not to increase anyone's tax bill. However, we realize that it may be a common side effect. Like you, we are taxpayers too and will also feel the economic brunt of a large property tax increase. The taxing units of government control the tax rate, which is the other side of the tax equation. Currently, no process exists for appealing your tax bill or the increase in your tax bill. It is incumbent upon the units of government to recognize significant changes in their tax base and to adjust their tax rates accordingly if necessary.

This office is following the rules that it is required to follow based on the laws passed by our legislators. If you are upset about property taxes and our current system of taxation, my suggestion would be to reach out to your local government leaders and state legislative representatives.

Kevin Poore

Hamilton County Assessor